



Capital Disclosures

30 September 2016

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Bahrain Middle East Bank B.S.C.

Appendix PD 2 - Balance sheet under the regulatory scope of consolidation

30 September 2016

	<i>Financial statements</i>	<i>Consolidated PIR data</i>	<i>Ref.</i>
	<i>30 September 2016</i>	<i>30 September 2016</i>	
	<i>US\$ '000</i>	<i>US\$ '000</i>	
ASSETS			
Balances with banks and financial institutions	14,052	13,803	
Treasury bills and placements with financial institutions	52,401	52,401	
Investments at fair value through profit or loss	1,263	1,263	
Loans and advances	112,663	114,099	
<i>of which net loans and advances (net of provisions)</i>		112,663	
<i>of which collective provision (qualifying as Tier 2 capital)</i>		1,436	d
Available-for-sale investments	5,609	5,609	
Held-to-maturity investments	189	189	
Investment in unconsolidated subsidiary	-	80	
Other assets	2,555	2,470	
TOTAL ASSETS	188,732	189,914	
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from financial institutions	136,504	136,504	
Deposits from customers	11,137	11,137	
Other liabilities	1,576	1,477	
Total liabilities	149,217	149,118	
EQUITY			
Share capital	60,501	60,501	a
Accumulated losses	(21,921)	(22,076)	b
<i>of which total consolidated accumulated losses</i>		(21,921)	
<i>of which retained earnings of unconsolidated subsidiary</i>		155	
Fair value reserve	935	935	c
Collective provision (qualifying as Tier 2 capital)	-	1,436	d
Total equity	39,515	40,796	
TOTAL LIABILITIES AND EQUITY	188,732	189,914	

Note: BMB Property Services W.L.L., a commercial subsidiary of the Bank, has not been consolidated for regulatory purposes as per the guidelines of CBB Rulebook.

Bahrain Middle East Bank B.S.C.
Appendix PD 3 - Main features template
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Disclosure template for main features of regulatory capital instruments		
1.	Issuer	Bahrain Middle East Bank B.S.C.
2.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN: BH0004657779
3.	Governing law(s) of the instrument	Laws of the Kingdom of Bahrain
	<i>Regulatory treatment</i>	
4.	Transitional CBB rules	Common equity Tier 1
5.	Post-transitional CBB rules	Common equity Tier 1
6.	Eligible at solo/group/group & solo	Solo and Group
7.	Instrument type (types to be specified by each jurisdiction)	Common equity shares
8.	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	US\$ 60.50 million
9.	Par value of instrument	US\$ 0.25 each
10.	Accounting classification	Shareholders' equity
11.	Original date of issuance	Various
12.	Perpetual or dated	Perpetual
13.	Original maturity date	No maturity
14.	Issuer call subject to prior supervisory approval	NA
15.	Optional call date, contingent call dates and redemption amount	NA
16.	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17.	Fixed or floating dividend/coupon	NA
18.	Coupon rate and any related index	NA
19.	Existence of a dividend stopper	NA
20.	Fully discretionary, partially discretionary or mandatory	Full discretionary
21.	Existence of step up or other incentive to redeem	NA
22.	Noncumulative or cumulative	NA
23.	Convertible or non-convertible	
24.	If convertible, conversion trigger (s)	NA
25.	If convertible, fully or partially	NA
26.	If convertible, conversion rate	NA
27.	If convertible, mandatory or optional conversion	NA
28.	If convertible, specify instrument type convertible into	NA
29.	If convertible, specify issuer of instrument it converts into	NA
30.	Write-down feature	
31.	If write-down, write-down trigger(s)	NA
32.	If write-down, full or partial	NA
33.	If write-down, permanent or temporary	NA
34.	If temporary write-down, description of write-up mechanism	NA
35.	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The instrument i.e. shareholders' equity is not subordinate to any other instrument
36.	Non-compliant transitioned features	No
37.	If yes, specify non-compliant features	NA

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
Common Equity Tier 1 capital: instruments and reserves				
1.	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	60,501		a
2.	Retained earnings	(22,076)		b
3.	Accumulated other comprehensive income (and other reserves)	935		c
4.	<i>Not Applicable</i>			
5.	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6.	Common Equity Tier 1 capital before regulatory adjustments	39,360		
Common Equity Tier 1 capital: regulatory adjustments				
7.	Prudential valuation adjustments	-		
8.	Goodwill (net of related tax liability)	-		
9.	Other intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10.	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-		
11.	Cash-flow hedge reserve	-		
12.	Shortfall of provisions to expected losses	-		
13.	Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-		
14.	Not applicable.			
15.	Defined-benefit pension fund net assets	-		
16.	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-		
17.	Reciprocal cross-holdings in common equity	-		
18.	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
19.	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-		
20.	Mortgage servicing rights (amount above 10% threshold)	-		
21.	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		
22.	Amount exceeding the 15% threshold	-		
23.	of which: significant investments in the common stock of financials	-		
24.	of which: mortgage servicing rights	-		
25.	of which: deferred tax assets arising from temporary differences	-		
26.	National specific regulatory adjustments	-		

Bahrain Middle East Bank B.S.C.

Appendix PD 4 - Disclosure template during the transition phase

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	Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-2015 treatment	-	
27.	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28.	Total regulatory adjustments to Common equity Tier 1	-	
29.	Common Equity Tier 1 capital (CET1)	39,360	
Additional Tier 1 capital: instruments			
30.	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	
31.	of which: classified as equity under applicable accounting standards	-	
32.	of which: classified as liabilities under applicable accounting standards	-	
33.	<i>Directly issued capital instruments subject to phase out from Additional Tier 1</i>	-	
34.	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	
35.	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
36.	Additional Tier 1 capital before regulatory adjustments	-	
Additional Tier 1 capital: regulatory adjustments			
37.	Investments in own Additional Tier 1 instruments	-	
38.	Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39.	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	
40.	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41.	National specific regulatory adjustments	-	
	Regulatory adjustments applied to Additional Tier 1 in respect of amounts subject to pre-2015 treatment	-	
42.	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43.	Total regulatory adjustments to Additional Tier 1 capital	-	
44.	Additional Tier 1 capital (AT1)	-	
45.	Tier 1 capital (T1 = CET1 + AT1)	39,360	

	Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
Tier 2 capital: instruments and provisions			
46.	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	
47.	<i>Directly issued capital instruments subject to phase out from Tier 2</i>	-	
48.	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49.	<i>of which: instruments issued by subsidiaries subject to phase out</i>	-	
50.	Provisions	1,436	d
51.	Tier 2 capital before regulatory adjustments	1,436	
Tier 2 capital: regulatory adjustments			
52.	Investments in own Tier 2 instruments	-	
53.	Reciprocal cross-holdings in Tier 2 instruments	-	
54.	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	
55.	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56.	National specific regulatory adjustments	-	
	Regulatory adjustments applied to Tier 2 in respect of amounts subject to pre-2015 treatment	-	
57.	Total regulatory adjustments to Tier 2 capital	-	
58.	Tier 2 capital (T2)	1,436	d
59.	Total capital (TC = T1 + T2)	40,796	
	Risk weighted assets in respect of amounts subject to pre-2015 treatment	-	
60.	Total risk weighted assets	149,700	
Capital ratios			
61.	Common Equity Tier 1 (as a percentage of risk weighted assets)	26.29%	
62.	Tier 1 (as a percentage of risk weighted assets)	26.29%	
63.	Total capital (as a percentage of risk weighted assets)	27.25%	
64.	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	9.00%	
65.	<i>of which: capital conservation buffer requirement</i>	2.5%	
66.	<i>of which: bank specific countercyclical buffer requirement (N/A)</i>	N/A	
67.	<i>of which: D-SIB buffer requirement (N/A)</i>	N/A	

Bahrain Middle East Bank B.S.C.

Appendix PD 4 - Disclosure template during the transition phase

30 September 2016

		Component of regulatory capital	Amounts subject to pre-2015 treatment	Source based on reference letters of the statement of financial positions under the regulatory scope of consolidation
68.	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	26.29%		
National minima including CCB (if different from Basel 3)				
69.	CBB Common Equity Tier 1 minimum ratio	9.0		
70.	CBB Tier 1 minimum ratio	10.5		
71.	CBB total capital minimum ratio	12.5		
Amounts below the thresholds for deduction (before risk weighting)				
72.	Non-significant investments in the capital of other financials	-		
73.	Significant investments in the common stock of financials	-		
74.	Mortgage servicing rights (net of related tax liability)	-		
75.	Deferred tax assets arising from temporary differences (net of related tax liability)	-		
Applicable caps on the inclusion of provisions in Tier 2				
76.	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1,436		d
77.	Cap on inclusion of provisions in Tier 2 under standardised approach	1,595		
78.	N/A			
79.	N/A			
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2020 and 1 Jan 2024)				
80.	Current cap on CET1 instruments subject to phase out arrangements	-		
81.	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		
82.	Current cap on AT1 instruments subject to phase out arrangements	-		
83.	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		
84.	Current cap on T2 instruments subject to phase out arrangements	-		
85.	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		